



TINA KOTEK
GOVERNOR

March 27, 2023

The Honorable Rob Wagner
President of the Senate
S-201 State Capitol
Salem, OR 97301

The Honorable Dan Rayfield
Speaker of the House
H-269 State Capitol
Salem, OR 97301

RE: House Bill 2058

Dear President Wagner and Speaker Rayfield,

Today I am signing House Bill 2058. I write this letter to address potential issues regarding implementation of the bill.

House Bill 2058 creates the Agricultural Overtime Tax Credit Loan Program. It calls for rapid implementation with abbreviated timelines. The bill does not provide funding for additional staff to run the program.

In anticipation of the bill becoming law, I encouraged the Oregon Business Development Department, the Department of Agriculture, and the Department of Revenue to collaborate and work towards successful implementation of the program. Over the past few weeks, the three agencies have met several times to design the application, create template loan documents, and conduct initial outreach to employers who may qualify for assistance. Based on this early work, we expect to successfully roll out the loan program, although there are still a few unknowns.

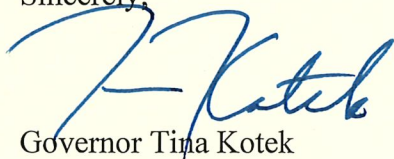
Early outreach has indicated that the initial interest for the available loans will be manageable. However, we will not know the actual volume of applications until the program opens in thirty days. We also do not know the size of loans applicants will request, except for the maximum provided in the bill. In addition, we do not know how many times the application period will need to be reopened should funds remain after the first round of applications and awards. That creates uncertainty about how long the program will continue.

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I share the Legislature's goal of providing quick assistance to farmers this growing season. Additional attention from the Legislature may be necessary, however, should the volume of applicants overwhelm the system and result in delay.

Thank you for your consideration of these concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tina Kotek", is written over the word "Governor". The signature is fluid and cursive.

Governor Tina Kotek

TK:smg